

## ATTACHMENT

## NARRATIVE INFORMATION SHEET

1. **Applicant Identification:** Nogales Community Development Corporation  
250 N Grand Avenue  
Nogales, AZ 85621
2. **Funding Requested:**
  - a. *Assessment Grant Type:* Community-wide
  - b. *Federal Funds Requested*
    - i. \$300,000
    - ii. No site-specific assessment grant waiver requested
  - c. *Contamination:* Hazardous Substances (\$113,265) and Petroleum (\$33,832)
3. **Location:** a) Nogales b) Santa Cruz County c) Arizona
4. **Property Information for Site-Specific Proposals:** Not applicable
5. **Contacts:**
  - a. *Project Director:* Nils Urman, Executive Director  
(520) 397-9219  
[nilsu@nogalescdc.org](mailto:nilsu@nogalescdc.org)  
250 N Grand Avenue  
Nogales, AZ 85621
  - b. *Chief Executive/Highest*
  - c. *Ranking Elected Official:* Nils Urman, Executive Director  
(520) 397-9219  
[nilsu@nogalescdc.org](mailto:nilsu@nogalescdc.org)  
250 N Grand Avenue  
Nogales, AZ 85621
6. **Population:** 20,076 (2017 Census Update)

**7. Other Factors Checklist**

<b>Other Factors</b>	<b>Page #</b>
Community population is 10,000 or less.	No
The applicant is, or will assist, a federally recognized Indian tribe or United States territory.	No
The priority brownfield site(s) is impacted by mine-scarred land.	No
The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).	No
The priority site(s) is in a federally designated flood plain.	Yes
The redevelopment of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy; or any energy efficiency improvement projects.	Yes
30% or more of the overall project budget will be spent on eligible reuse planning activities for priority brownfield site(s) within the target area.	No

**8. Letter from the State or Tribal Environmental Authority**

Please see enclosed letter from the Arizona Department of Environmental Quality.



Douglas A. Ducey  
Governor

# ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera  
Director

January 24, 2019  
VRP19-136

Nils Urman  
Executive Director  
Nogales Community Development Corporation  
250 N. Grand Ave,  
P.O. Box 421  
Nogales, Arizona 85621

Re: Nogales Community Development Corporation Brownfields Community-Wide Assessment  
Grant Support Letter

Dear Mr. Urman,

The Arizona Department of Environmental Quality (ADEQ) Brownfields Program is pleased to provide a letter of support for the Nogales Community Development Corporation (NCD) Brownfields Community-Wide Assessment Grant (FY19) application to the Environmental Protection Agency (EPA) for the assessment of hazardous substances in the City of Nogales.

ADEQ understands with this funding NCD will create a current and comprehensive brownfields inventory; identifying and securing property owner partnership in 10-12 properties for Phase I assessment; and using this information to seek additional redevelopment investment.

The FY 2019 Brownfields Community-Wide Assessment Grant will be a good use of leveraging future funding and investment. The assessment grant would help with planning redevelopment which in turn will attract new opportunities to improve job growth, access to healthy food and health care, and decrease blight.

ADEQ fully supports the NCD and their community with this important Brownfields project and we look forward to providing the community with additional services and funding opportunities as needed.

Sincerely,

Travis Barnum, Brownfields Coordinator  
Waste Program Division

## 1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION

### a. Target Area and Brownfields

#### i. *Background and Description of Target Area*

EPA 2019 Brownfields *Community-Wide Assessment* funds are sought to leverage redevelopment in the **economically distressed downtown Main Street community of Nogales, Arizona**, a **U.S.-Mexico border city** that serves as an international gateway to the southwestern Arizona region.

Once a bustling center for trade and commerce, the **Nogales urban center has witnessed more than a decade of steady economic decline**. The economic health of this community rises and falls with changes in national and international spending and U.S. border policies. Economic fluctuation - combined with a recent, notable drop in tourism over the border and multiple devaluations of the Mexican peso - have taken a huge toll, including steady annual population decline (-.04%); increasing unemployment (12.8%), and persistent and long-term poverty (30.8% of population). This is most evidenced along Main Street, where decades of economic disinvestment have created **substandard commercial real estate inventory** that appears to offer little opportunity for new investment (*NCD Market Analysis 2018*). **As much as 40% of the prime real estate is in a state of significant deterioration.**

The **community is at a high stage of readiness for revitalization**. Under the leadership of CDFI Nogales Community Development Corporation (NCD), along with a cross-section of key leaders, Nogales offers the following table-setting measures:

- a. ***Opportunity Zone designation*** incentivizing investment through capital gains investment opportunities.
- b. ***Main Street, Historic Revitalization Plans and Health Promotion plans*** delineating community-driven highest and best land re-use opportunities and structures targeted for historic preservation and focus on local food sourcing and creating a walkable community.
- c. ***Food Innovation District*** overlay, promoting food-related investment across policy, program and practice to capitalize on border food culture and binational Produce Industry.
- d. ***NCD Small Business Development Loan Fund***, offering up to \$100,000 in capital for start-up and expansion with corresponding business assistance.
- e. ***Engaged private sector***, ready to leverage redevelopment investment and participate in business and job creation strategies.
- f. ***Strong community and political engagement***, evidenced through the three (3) successful planning processes completed in the past 18 months.

**\*\*Brownfields assessment will provide a critical next stage tool in Nogales' larger redevelopment plans.** While a number of site selectors and speculative investors show interest in the area, today's *developers are seeking larger street-front footage*, which requires aggregation of smaller parcels and – given Nogales' loose zoning history and the age of most structures – holds a high probability of properties needing some level of environmental remediation. Environmental assessments will determine if contamination is present and the significance of the impact present at a property\*\*.

**Nogales land use development can be considered a product of its entrepreneurial Wild West origin.** Beginning as land ceded to the U.S. in the 1853 Gadsden Purchase, Nogales grew in just 165 years from a **two-nation border town** into a diverse **binational economy** relying on

agribusiness, produce distribution, international commerce and, more recently, border security to employ its residents. Throughout its growth, construction and land use in the downtown varied widely and was **hampered by very little restriction, leaving a patchwork of commercial and light industrial properties** – *many long abandoned and most in significant states of disrepair.*

The **two-square mile, mixed-use Main Street** area includes both the pedestrian and vehicle U.S.-Mexico Ports of Entry, with more than 100 commercial land parcels; 60% with structures built prior to 1980. The downtown is accessed by a long commercial corridor stretching across 20 square miles of rural area to Interstate-19, which connects to Tucson via Interstate-10 and to Federal Highway 15 into Mexico. **A number of critical transportation systems converge here**, including the **four ports of entry** and the Union Pacific Railroad connecting to Mexico and Canada. *Nogales is a former EZ/EC area and current IRS-designated Opportunity Zone.*

The homogeneity and close family ties in Nogales have contributed significantly to its varied land use history. **Nogales, AZ and Nogales, Sonora, Mexico form a single, functional and complex urban fabric** in which some members of the same family live in the U.S., while others reside in Mexico. Its 20,076-member population (*Census 2017 Update*) is predominately Hispanic (97%), with 38% foreign born immigrants and 81% monolingual Spanish speakers. In this **fully binational community**, families and businesses straddle both sides of the border. **Both cities are also located in the Ambos Nogales Watershed**, sharing similar environmental opportunities/constraints such as water quality, runoff patterns and high risk erosion areas.

**Main Street commerce began as early as the 1880's** in the area now known as Morely Avenue – the spine of downtown - following the path of commerce via the railroad tracks from Mexico into the U.S. **Manufacturing plants were built in the late 1800's** followed by other forms of light industrial, commercial and residential development supporting these industries. This included newspaper publishing; lumber yard; automotive assembly; tool and dye factory, etc. The State Historic Preservation Office (SHPO) has determined that more than 75% of Morley Avenue properties are “historic” and five (5) have met National Register designation.

**Brownfields:** In addition to the **five (5) parcels already in the EPA Brownfields database**, planning and zoning officials estimate there are as many as **40 potential brownfield-impacted sites** in the Main Street area based on structure age and historic use. These include former gas stations, tire storage yards, automotive repair facilities, abandoned industrial and manufacturing facilities, derelict warehouses and historic properties. **Approximately 60% of the structures in the area were built prior to 1960** and, therefore, were likely built with asbestos-containing materials and lead-based paint products. Earlier environmental site assessments in the area have revealed petroleum products and hazardous substances such as volatile organic compounds, semi-volatile organic compounds, polynuclear aromatic hydrocarbons, polychlorinated biphenyls, heavy metals, and asbestos. It is anticipated that these can be found in shallow soils, soil vapors, and groundwater at sites throughout the project area. This is significant because Nogales Main Street is a mixed-use community, with **many single family residences, schools and churches built adjacent to commercial properties**. It is also a **walking community**, leaving the potential for brownfields sites to affect the health and welfare of residents if exposed to contaminants through inhalation or ingestion pathways. Residents may also be exposed to poor indoor air quality through the vapor intrusion process, by which contaminants migrate upward from contaminated

shallow soil and groundwater and seep through cracked concrete foundations and basements.

**\*\*It is important to note that the commercial buildings and businesses along Main Street are mostly located in the flood plain and face flooding by water - especially during the summer monsoon season - originating from the Mexico side. The basements and ground floors of buildings are affected, which can worsen brownfields issues\*\*.**

### **Specific Area for Assessments**

The Nogales Community Development Corporation (NCD) will spearhead the community-wide brownfield assessment initiative in the area designated as **Nogales Main Street**, which encompasses **a dense, two-square mile area** in Census Tract 9964.02 and involving more than **100 commercial properties**. NCD will use EPA grant funds to partner with key individual property owners to complete an estimated **15 Phase I assessments and three (3) Phase II assessments** within the Main Street area. In all cases where contamination is identified, NCD will work with property owners to initiate: a) Phase II assessment (if applicable); b) identification of the actual discharger; c) removal options; d) cleanup standards/goals/technologies; e) other available funding mechanisms; f) voluntary cleanup options; and g) redevelopment suitability.



#### ***ii. Description of the Priority Brownfield Sites***

The community-wide assessment process will fully inventory commercial properties and **offer all owners the opportunity to apply for Phase I work**. Examples of potential sites that may be involved in Phase I and potentially Phase II- based on historical land use data, current site conditions and property owner interest - include, but are not limited to:

1. ***The Woolworth Building***, 40 N. Morely Avenue, on National Historic Register; built in 1917 as a retail store; original Nogales family ownership that is anxious to repackage and sell. High probability of asbestos, lead paint exposure.
2. ***Tony's Exxon Station***, 282 N. Grand Avenue, built more than 40 years ago and abandoned for 10+ years; out of state ownership; high probability of petroleum.
3. ***The Montezuma Hotel***, 875 Frank Reed Rd; on National Historic Register; upper floors vacant for 30+ years; out of state ownership; high probability of asbestos and lead paint exposure.



#### **b. Revitalization of the Target Area**

##### ***i. Redevelopment Strategy and Alignment with Revitalization Plans***

Over the past five years, NCD has led a group of seasoned civic, business, education, human service, non-profit and business leaders to affect a new economic vitality for downtown Nogales. The **elements of this comprehensive revitalization approach** include:

- a. A 2017 *binational market analysis* to better understand current and projected supply and demand in both the U.S. and Sonora, Mexico. Analysis has led efforts in building on the powerful binational Produce and Maquiladora industries.



- b. A 2018 community-driven Main Street visioning process focused on historic preservation and creative re-use in the downtown.
- c. Establishment of Main Street as a Food Innovation District, which is re-inventing and re-branding the downtown around food-related businesses. This work crosses policy, program and practice to create sustainable local healthy and fresh food system that is an economic/ community development engine – one that fully empowers its residents through economic growth and environmental sustainability.
- d. Construction of two business incubator initiatives - the Nogales Innovation Kitchen and Co-Working Space and the New Next Innovation Incubator – as catalyzing facilities supporting entrepreneurial development. The commercial kitchen, funded by the Administration for Children and Families with an anticipated April 2019 soft opening date, will lower food entrepreneurs’ barrier to entry in the marketplace and also serve an important community role by offering facilities for skills training and education; special event and a shared commissary space for civic, education, cultural and organizations. In addition, NCD has completed Phase I and is pursuing Phase II funding for its *New Next Innovation Incubator* near the commercial kitchen to support general business entrepreneurship and provide administrative/logistical space for kitchen tenants.
- e. A robust Small Business Loan Fund managed by NCD with \$1.3 million currently in use by local entrepreneurs coupled with business technical assistance and support.
- f. A recently completed, EPA-funded Local Foods Local People workshop engaging the community in dialogue and decision-making around increasing local food sourcing as a public health and economic revitalization strategy.

**But, one of the major revitalization barriers is the assumed condition of many of the downtown properties. Often, the unknown condition of the environment dissuades developers from considering properties, not the actual contamination.**

### **How the redevelopment strategy aligns with the local land use and revitalization plans**

Nogales’ revitalization vision is consistent with both the county and city comprehensive land use plans and public health approaches. **Santa Cruz County’s 2016-2020 Comprehensive Economic Development Strategy (CEDS)** developed by the Southeastern Arizona Governments Organization (SEAGO) specifically cites downtown redevelopment focusing on food-related business and job growth. The 2014 **Nogales General Plan** designates planning districts in the downtown core emphasizing desired mixed use urban infill and the creation of a “live-work-play” community. Main Street Nogales is located in the *designated Planning Area of Centro Cultural*, which encourages infill development and rehabilitation focusing on cultural and historic preservation (*Nogales Planning Office 2014*). It is also consistent with the **Local Foods Local Places** community planning process funded through the EPA in 2018 - focusing on community place-making and health-related projects in the downtown.

### ***ii. Outcomes and Benefits of Redevelopment Strategy***

#### **Potential for project to stimulate economic development in the target area**

Brownfield assessment efforts will be a critically important **table-setting measure** in overall revitalization and the specific manifestation of Nogales’ new Food Innovation District economy. **Key targeted properties will be ripened for reinvestment and repackaging**, allowing NCD and its partners to further leverage other financing for redevelopment.

Specific outputs and outcomes that will be facilitated through the project include:

**Output:** Completion of a comprehensive Brownfields Inventory and Assessment Rubric used in the selection of sites for assessment.

**Output:** Preparation of commercial properties for reinvestment through completion of 15 Phase I and three (3) Phase II environmental assessments.

**Outcome:** Promotion and marketing of a vibrant Nogales Main Street community through the repackaging and offering of at least 15 properties in the downtown that are ripe for reinvestment with an emphasis in food-related industry.

**Outcome:** Developing a safe, walkable and livable community by securing the Morely Avenue pocket park as an open/green space along Main Street.

**Outcome:** Leveraging at least \$500,000 in other resources for remediation and redevelopment.

**Longer term outcomes** of successful downtown redevelopment will result in 1) economic growth through property reuse; 2) growth in new entrepreneurship and small business with emphasis in the dynamic food industry; 3) livable wage job development with scalable job pathways; 4) infill residential and mixed use redevelopment in the core with both affordable and market rate housing opportunities; and 5) new private and public financial investment in the downtown community.

### **c. Strategy for Leveraging Resources**

#### ***i. Resources Needed for Site Reuse***

#### **Applicant's eligibility for monetary funding from other resources**

Non-profit NCD has **20 years of experience** securing and administering funding from a variety of public and private sources for publicly and privately funded economic and community development projects in Nogales. As the region's enterprise maker, it is both a **Community Development Corporation (CDC)** and **Community Development Financial Institution (CDFI)**, giving it access to a wide variety of possible monetary funding sources for additional property-specific remediation and broader revitalization. An example of this is its successful redevelopment of the historic Bowman Building into the Bowman Senior Residence - a \$10 million, downtown low-income senior housing project completed in 2015 providing 45 units and operating at 100% occupancy with a sizeable waiting list. NCD is also currently completing two incubator/co-working spaces – funded through HUD and the ACF – involving both new construction on an open site and extensive rehabilitation of a historic lumber yard.

#### **Key funding resources for use in assessment, remediation and revitalization of priority sites**

*In addition to the EPA*, NCD will have relationships with a number of specific potential funding sources for any additional environmental assessment and remediation required, as well as ultimate redevelopment of participating properties, including, but not limited to:

1. **USDA Rural Development (USDA)**, through its Revolving Loan and Community Development Programs and Rural Business Development Grant.
2. **US Department of Health & Human Services, Administration for Children and Families (ACF)**, through its Community Economic Development (CED) program designed to create economic and workforce opportunities for low-income individuals.
3. **Economic Development Administration (EDA)**, through its Public Works and Economic Adjustment Assistance program.
4. **JP Morgan Chase Foundation**, through its annual funding cycle aimed at small business development through direct grants and loan funds.



5. **US Department of Housing & Urban Development**, through its affordable housing and community development funds.
6. **State Historic Preservation Office (SHPO)**, through its Main Street Program offering façade grants, technical assistance and small direct funding.
7. **Private and community foundations and banking institutions**, including but not limited to, Surdna Foundation; Wells Fargo Foundation; Federal Home Loan Bank; Bank of America and BBVA Compass Foundation.

## *ii. Use of Existing Infrastructure*

Brownfields assessments will build on a number of improvements made to the infrastructure along the targeted Main Street areas by the City of Nogales within the past five years, including wheelchair accessible sidewalk ramps along Grand Avenue; improvements to Karam Park including safety fencing along the railroad tracks and new arching for visitor shade, and safety signage for pedestrians along Morely and Grand Avenues.

## **2. COMMUNITY NEED AND COMMUNITY ENGAGEMENT**

### **a. Community Need**

#### *i. The Community's Need for Funding*

NCD and its community partners believe implementation of a community-wide brownfield assessment approach will be a **powerful stage-one incentive** encouraging owners to improve their properties, spurring potential investors to package new, creative redevelopment projects. As a small, rural majority minority Latino community, Nogales is a **historically low-income community with low wages; high unemployment; declining or stagnate property values and a subsequently flat-lining tax base**. Population rates have actually dropped over the past decade. Employment fluctuates seasonally due to the Produce Industry's growing season, with in excess of 40% of workers unemployed at key points in the year. Underemployment also remains a reality with an average wage across all industry of \$15.51/hour compared to \$23.21 for the U.S. (*Arizona Department of Commerce 2016*).

#### *ii. Threats to Sensitive Populations*

##### *(1) Health or Welfare of Sensitive Populations*

Environmental contamination, property vacancy and blight take the greatest toll on the community's most vulnerable residents, specifically the **elderly, disabled, and those who lack transportation**. Current poor walkability and physical/spatial disconnection leaves many residents struggling to access basic services not located in the downtown. **Nogales is also a USDA-classified food desert** with 80% of surveyed residents reporting experiencing a food shortage at least 1x/month. Access to quality food is limited with no market-level grocery store within a mile of downtown.

##### *(2) Greater Than Normal Incidence of Disease/Adverse Health Conditions*

While current data is not available, EPA and public health reports up to 2014 cite higher rates for particulate matter days (air pollution) and higher rates of exposure to arsenic and nitrate as nitrogen in the surface water (*EPA 2014; Carondelet Health Assessment 2013*).

##### *(2) Economically Impoverished/Disproportionately Impacted Populations*

Because minority (93%), impoverished (50+%) and non-English speaking (84%) populations make up the majority of the residents living downtown, **environmental justice issues are imminent**. Lack of transportation and poor walkability due to blight and infrastructure limitations impede access to market-level grocery stores, human and health services and job opportunities.

**a. Community Engagement**

**iii. Community Involvement**

NCD will initiate a **substantial community engagement process over the first 6 months** to 1) introduce the project and gain consensus on its value; 2) secure agreement on the best methods of community-wide communication about progress; and 3) ensure property owner involvement. To ensure a fair and equitable property selection process, NCD will establish and oversee a **multi-sector Brownfields Advisory Group** composed of **up to 15 members**, initially including:

PARTNER	NAME	PHONE	EMAIL	ROLE
AZ Dept of Environmental Quality (ADEQ)	TRAVIS BARNUM	(602) 771-2296	<a href="mailto:barnum.travis@azdeq.gov">barnum.travis@azdeq.gov</a>	Environmental quality
NCD Board of Directors	LEONILO LARRIVA	(520) 287-5815	<a href="mailto:nilo@nogalesinternet.com">nilo@nogalesinternet.com</a>	Redevelopment
SC County District 1 Supervisor	MANUEL RUIZ	(520) 223-1272	<a href="mailto:mruiz@santacruzcountyz.gov">mruiz@santacruzcountyz.gov</a>	Planning, redevelopment
Santa Cruz County Health Dpt.	JOSE ARRIOLA	(520) 375-7622	<a href="mailto:jarriola@santacruzcountyz.gov">jarriola@santacruzcountyz.gov</a>	Environmental quality
City of Nogales	FRANK DILLON	(520) 287-6156	<a href="mailto:fdillo@nogalesaz.gov">fdillo@nogalesaz.gov</a>	Planning, infrastructure
Bowman Senior Residence Board	REYNA SALAS	(520) 301-1386	<a href="mailto:bowmansenior@mediacommbb.net">bowmansenior@mediacommbb.net</a>	Senior voice
SEEDS Youth Group	CESAR LOPEZ	(520) 988-0609	<a href="mailto:clopez.arizona@gmail.com">clopez.arizona@gmail.com</a>	Youth voice
OS3 Movement	Edgardo Munoz	(520) 470-5206	<a href="mailto:bordergrafico@gmail.com">bordergrafico@gmail.com</a>	Youth and family voice, open space
Nogales Community Food Bank	Efrain Triguerras	(520) 304-8234	<a href="mailto:etrigueraz@communityfoodbank.org">etrigueraz@communityfoodbank.org</a>	Non-profit voice
Nogales Chamber of Commerce	Olivia Ainza Kramer	(520) 287-3685	<a href="mailto:president@thenogaleschamber.org">president@thenogaleschamber.org</a>	Business recruitment
Nogales Produce Association	Allison Moore	(520) 287-2707	<a href="mailto:amoore@freshfrommexico.com">amoore@freshfrommexico.com</a>	Business Investment, recruitment
Santa Cruz County Port Authority	Bruce Bracker	(520) 331-7539	<a href="mailto:bruce@brackersaz.com">bruce@brackersaz.com</a>	Infrastructure development
Mariposa Community Health Center	Patty Molina	(520) 375-6050 ext 1355	<a href="mailto:pmolina@mariposachc.net">pmolina@mariposachc.net</a>	Public health monitoring; environmental quality

**iv. Incorporating Community Input**

A **Community Listening session** will be hosted in Quarter 1 of each year. The first one will kick-off the initiative, inviting residents and property owners to hear, learn and tell what they know about historical property uses. Participants will be invited using all forms of traditional and social media and ADEQ leadership has already committed to participating in this event.

Subsequent sessions hosted in Years 2 and 3 can focus on progress and facilitate dialogue about concerns and next steps for redevelopment.

Participants will also agree on the best methods to receive updates from NCD about progress. These will most likely include: 1) **cafecitos with property owners**, a cultural method of 1:1 communication allowing for more intensive dialogue; 2) **NCD website updates** posted *monthly* with narrative and pictures of completed assessments and repackaged properties; 2) **Facebook postings** updated *biweekly* giving timeline details about the work and monitored by the NCD page host who solicits and responds to feedback; 3) **Brownfields Advisory Group meetings** held *quarterly* to disseminate information and solicit feedback from members; 4) **media stories** placed *biannually* in print, TV and radio to show progress and feature properties that are being repackaged; 5) **community input meetings** hosted by NCD *annually* as input/output sessions engaging residents in thought processes; and 6) **trained front office staff** who will answer questions and log comments from callers and visitors to the NCD office. All feedback will be captured by staff, reported at the quarterly Advisory Group meetings.

### 3. **TASK DESCRIPTIONS, COST ESTIMATES, AND MEASURING PROGRESS**

#### a. **Description of Tasks and Activities**

<b>Task/Activity</b>	<b>Lead Entity</b>	<b>Timeframe</b>
Advertise, recruit, interview and hire NCD Real Estate Manager.	NCD Project Director	Year 1-Q1
Secure EPA cooperative agreement.	NCD Grant Manager	Year 1-Q1
Contract environmental engineer to conduct assessments.	NCD Project Director	Year 1-Q1
Complete Brownfields Property Inventory and database.	NCD Real Estate Mgr; Contractor	Year 1 – Q2
Coordinate assessment activities with Health Dept. for public health monitoring.	NCD Real Estate Mgr Contractor	Year 1 – Q3 then quarterly
Host community listening meetings to review downtown vision; present project; gain consensus on process/progress.	NCD Real Estate Mgr	Annually in Q1
Conduct cafecitos with property owners.	NCD Project Director NCD Real Estate Mgr	Year 1 – all quarters
Facilitate Advisory Group meetings to provide information; solicit input.	NCD Real Estate Mgr	Monthly for first 6 mos; then quarterly
Create Brownfields Site Selection Rubric.	NCD Real Estate Mgr Advisory Committee	Year 1 – Q2
Market program to property owners.	NCD Real Estate Mgr Advisory Committee	Year 1 – Q2 and thereafter
Invite and receive applications for assessment; review and score applications and select sites.	NCD Real Estate Mgr Advisory Committee	Year 1-Q3 through Year 3-Q3
Secure property owner approvals for all site access and assessment process.	NCD Real Estate Mgr	Year 1-Q4 through Year 3-Q3
Conduct Phase I assessments; complete	Contractor	Year 1-Q4 through

Targeted Assessment Reports for all sites.		Year 3-Q3
Develop site-specific clean-up plans for all identified properties.	NCD Real Estate Mgr Contractor	Year 1-Q4 through Year 3-Q3
Determine need for Phase II assessment based on Phase I findings; solicit applications.	Contractor NCD Real Estate Mgr	Year 2-Q2 through Year 3-Q2
Review and score Phase II proposals; select sites within budget parameters.	NCD Real Estate Mgr Advisory Committee	Year 2-Q2 through Year 3-Q2
Conduct Phase II assessments; complete Targeted Assessment Reports for all sites	Contractor	Year 2-Q3 through Year 3-Q3
Work with property owners to develop site-specific reuse plans (with appraisals).	NCD Project Director NCD Real Estate Mgr	Year 2-Q3 through Year 3-Q4
Package assessed properties with marketing materials for redevelopment.	NCD Project Director NCD Real Estate Mgr	Year 1-Q4 through Year 3-Q4
Market packaged properties to investors; commercial real estate community.	NCD Real Estate Mgr Advisory Committee	Year 1-Q4 through Year 3-Q4
Collect, analyze all data per document review; report findings to Advisory Comm.	NCD Project Director NCD Real Estate Mgr	All quarters
Expend all funds; adhere to all EPA reporting requirements; submit timely reports.	NCD Grant Manager	All quarters

#### b. Cost Estimates and Outputs

Budget Categories		Project Tasks (\$)				
		Community Organizing	Planning	Assessment	Redevelopment	Total
Direct Cots	Personnel	34178	34178	20507	47849	136712
	Fringe Benefits	6152	6152	3691	8613	24608
	Travel	0	4238	825	412	5475
	Equipment	0	0	0	0	0
	Supplies	850	850	850	850	3400
	Contractual	650	650	120000	0	121300
	Other	0	0	0	0	0
Total Direct Costs		41830	46068	145873	57724	291495
Indirect Costs		2092	2303	1224	2886	8505
Total Budget		43922	48371	147097	60610	300000

#### c. Measuring Environmental Results

Outputs and outcomes will be measured through **Project Director quarterly record review** by staff and oversight by the Brownfields Advisory Committee. Document review will include: 1) the *Brownfields Property Database* that will track all potential and identified properties and the status of assessment activities; 2) the *Brownfields Prioritization Rubric* used to select each site (Phase I/II); and 3) the *Brownfields Targeted Assessment* reports provided by the contractor,

including a property description; history; soil characteristics, geology, hydrogeology; property reconnaissance/sampling; results; conclusion and references.

#### **4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE**

##### **a. Programmatic Capability**

###### **i. Organizational Structure**

Executive Director **Nils Urman, MPA** will lead the NCD team in the successful expenditure of funds and completion of all technical, administrative and financial requirements of the project. Mr. Urman is a seasoned, 30+year economic developer and past Nogales downtown business owner who has led the agency for the past 21 years. Include a brief discussion of the key staff including their roles, expertise, qualifications, and experience. **A qualified, full-time Real Estate Manager will be hired** to engage community; work with property owners; coordinate contracted assessment activities and implement reuse plans. This individual will have expertise in Nogales real estate; at least two years of program coordination experience; be bilingual (Spanish/English) and preferably from Nogales. A 400-hour **AmeriCorps position** will also be budgeted to support the Real Estate Manager. Grant management will be conducted by **NCD Finance Manager Ms. Clariza Gastelum**, who has more than 5 years of experience managing multi-year federal grant expenditures for NCD and overseeing annual audits with no audit findings.

###### **ii. Acquiring Additional Resources**

NCD Policies and Procedures for procuring contractual services over \$9,999 require a three-bid protocol reviewed by staff with final approval by the NCD Board of Directors. Contract fulfillment is reviewed quarterly by the Executive Director for quality assurance.

##### **b. Past Performance and Accomplishments**

###### **i. Has Received Other Federal or Non-Federal Assistance Agreements**

NCD **currently administers** a number of federally and non-federally funded assistance agreements, the three most similar to this application including:

###### **(1) Purpose and Accomplishments**

1. ***Community Economic Development Program*** (\$800,000) - HHS Administration for Children & Families: construction of commercial kitchen; new business and job creation. **Outcomes (as of 9/30/18):** 1) kitchen under construction (ETA April '19); 2) 15 businesses, 35 jobs created.

2. ***Community Development Initiative*** (\$100,000) - JP Morgan Chase Foundation; small business assistance; property redevelopment. **Outcomes (as of 8/31/19):** 1) \$300,000 loaned; 2) 35 jobs created; 3) 12 new businesses started.

3. ***Rural Business Development Program*** (\$25,000) – USDA; commercial kitchen start-up; small business recruitment; property redevelopment for food businesses. **Outcomes (as of 6/30/19):** 1) kitchen operational; 2) kitchen incubator tenancy at >50%; 3) at least 3 new businesses cultivated.

###### **(2) Compliance with Grant Requirements**

NCD has successfully reported on all deliverables and status of work plans and has adhered to all grant funding conditions for each of the agreements above. The agency has a reputation for timely and acceptable reporting as required by the awarding agencies.

## ATTACHMENT

### THRESHOLD CRITERIA RESPONSE

- *Documentation of applicant eligibility if other than city, county, state, or tribe; documentation of 501(c)(3) tax-exempt status or qualified community development entity.*

Please see attached documentation of non-profit eligibility.

- *Description of community involvement.*

Provide information that demonstrates how you intend to inform and involve the community and other stakeholders in the planning, implementation and other brownfield assessment activities described in your proposal.

NCD will initiate a **substantial community engagement process over the first 6 months** to 1) introduce the project and gain consensus on its value; 2) secure agreement on the best methods of community-wide communication about progress; and 3) ensure property owner involvement. To ensure a fair and equitable property selection process, NCD will establish and oversee a **multi-sector Brownfields Advisory Group** composed of **up to 15 members**.

A **Community Listening session** will be hosted in Quarter 1 of each year. The first one will kick-off the initiative, inviting residents and property owners to hear, learn and tell what they know about historical property uses. Participants will be invited using all forms of traditional and social media and ADEQ leadership has already committed to participating in this event.

Subsequent sessions hosted in Years 2 and 3 can focus on progress and facilitate dialogue about concerns and next steps for redevelopment.

Participants will also agree on the best methods to receive updates from NCD about progress. These will most likely include: 1) **cafecitos with property owners**, a cultural method of 1:1 communication allowing for more intensive dialogue; 2) **NCD website updates** posted *monthly* with narrative and pictures of completed assessments and repackaged properties; 2) **Facebook postings** updated *biweekly* giving timeline details about the work and monitored by the NCD page host who solicits and responds to feedback; 3) **Brownfields Advisory Group meetings** held *quarterly* to disseminate information and solicit feedback from members; 4) **media stories** placed *biannually* in print, TV and radio to show progress and feature properties that are being repackaged; 5) **community input meetings** hosted by NCD *annually* as input/output sessions engaging residents in thought processes; and 6) **trained front office staff** who will answer questions and log comments from callers and visitors to the NCD office. All feedback will be captured by staff, reported at the quarterly Advisory Group meetings.



- *Documentation of the available balance on each Assessment Grant; or an affirmative statement that the applicant does not have an active Assessment Grant (see [Section III.B.3.](#))*

The Nogales Community Development Corporation (NCD) affirms that it does not have an active Assessment Grant per *Section III.B.3.* of the application.



# Notice of Certification

## Qualifying Charitable Organization

This is to certify that

### Nogales Community Development

meets all requirements to be considered a Qualifying Charitable Organization. The Organization has provided written statement attesting that it:

- has provided verification of its 501 (c) (3) status or verification that it is a designated community action agency per ARS § 43-1088.G.2. As a qualifying charitable organization, it is exempt from federal income taxation under section 501 (c) (3) of the Internal Revenue Code or is a designated community action agency that receives community block grant program monies pursuant to 42 United States Code, Section 9901.
- has spent at least fifty percent of its budget on services to Arizona residents who receive Temporary Assistance for Needy Families (TANF) benefits or to Arizona resident low-income households or to chronically ill or physically disabled children who are Arizona residents per ARS § 43-1088.G.2. As defined in ARS § 43-1088.G.3, "Services means cash assistance, medical care, child care, food, clothing, shelter, job placement and job training services or any other assistance that is reasonably necessary to meet immediate basic needs and that is provided and used in this state".
- has provided financial statements indicating its budget for the prior operating year and the amount of its revenue spent on services to Arizona residents who receive Temporary Assistance for Needy Families (TANF) benefits or to Arizona resident low-income households or to chronically ill or physically disabled children who are Arizona residents, and
- has attested that it plans to continue spending at least fifty percent of its budget in the future on services to Arizona residents who receive Temporary Assistance for Needy Families (TANF) benefits or to Arizona resident low-income households or to chronically ill or physically disabled children who are Arizona residents.

**This Notice of Certification is accurate as of January 1, 2010, and in effect until the Arizona Department of Revenue periodically requests recertification from this Organization.**

**IN CASE OF INCONSISTENCY OR OMISSION IN THIS CERTIFICATE, THE LANGUAGE OF THE ARIZONA REVISED STATUTES WILL PREVAIL.**

Authorized person providing certification:

Nick Buta, Deputy Quality Executive

*Nick Buta*

Signature

Dated: 12-10-10





# STATE OF ARIZONA

Department of Revenue  
Office of Economic Research and Analysis  
Facsimile – (602) 716-7991



Janice K. Brewer  
Governor

Gale Garriott  
Director

December 10, 2010

Nogales Community Development  
Attn: Yvonne Delgadillo  
124 B North Terrace Avenue  
Nogales, AZ 85621

Dear Ms. Delgadillo:

RE: Qualifying Charitable Organization - Approval

Nogales Community Development meets all criteria to be considered a Qualifying Charitable Organization. Your organization's name will be added to the list of qualifying charitable organizations on the Arizona Department of Revenue website effective January, 2010.

Enclosed is a certificate acknowledging that your organization meets all criteria to be considered a Qualifying Charitable Organization. You may display the certificate or keep it in file.

The department may periodically request organizations to recertify their status. Your certificate and status is valid until that time. The organization must also notify the department of any changes that may affect its qualifications.

Thank you for your request to qualify your organization as part of the tax credit for charitable organizations.

Sincerely,

A handwritten signature in blue ink that reads "Nick Buta".

Nick Buta  
Deputy Quality Executive  
Office of Economic Research & Analysis  
Phone: (602) 716-6891  
E-mail: [nbuta@azdor.gov](mailto:nbuta@azdor.gov)

## Application for Federal Assistance SF-424

\* 1. Type of Submission:

- ☐ Preapplication  
☒ Application  
☐ Changed/Corrected Application

\* 2. Type of Application:

- ☒ New  
☐ Continuation  
☐ Revision

\* If Revision, select appropriate letter(s):

\* Other (Specify):

\* 3. Date Received:

01/31/2019

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

### 8. APPLICANT INFORMATION:

\* a. Legal Name:

NOGALES COMMUNITY DEVELOPMENT CORPORATION

\* b. Employer/Taxpayer Identification Number (EIN/TIN):

860878561

\* c. Organizational DUNS:

1653690470000

### d. Address:

\* Street1:

250 N GRAND AVENUE

Street2:

\* City:

NOGALES

County/Parish:

\* State:

AZ: Arizona

Province:

\* Country:

USA: UNITED STATES

\* Zip / Postal Code:

856212637

### e. Organizational Unit:

Department Name:

Division Name:

### f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

\* First Name:

NILS

Middle Name:

\* Last Name:

URMAN

Suffix:

Title:

Organizational Affiliation:

\* Telephone Number:

5203979219

Fax Number:

\* Email:

NILSU@NOGALESCDC.ORG

## Application for Federal Assistance SF-424

### \* 9. Type of Applicant 1: Select Applicant Type:

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

### \* 10. Name of Federal Agency:

Environmental Protection Agency

### 11. Catalog of Federal Domestic Assistance Number:

66.818

CFDA Title:

Brownfields Assessment and Cleanup Cooperative Agreements

### \* 12. Funding Opportunity Number:

EPA-OLEM-OBLR-18-06

\* Title:

FY19 GUIDELINES FOR BROWNFIELDS ASSESSMENT GRANTS

### 13. Competition Identification Number:

Title:

### 14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

### \* 15. Descriptive Title of Applicant's Project:

NCD BROWNSFIELD ASSESSMENT AND CLEANUP COOPERATIVE GRANT

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

**Application for Federal Assistance SF-424****16. Congressional Districts Of:**

\* a. Applicant

3

\* b. Program/Project

3

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**

\* a. Start Date:

07/01/2019

\* b. End Date:

06/30/2022

**18. Estimated Funding (\$):**

\* a. Federal

300,000.00

\* b. Applicant

0.00

\* c. State

0.00

\* d. Local

0.00

\* e. Other

0.00

\* f. Program Income

0.00

\* g. TOTAL

300,000.00

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**☐ a. This application was made available to the State under the Executive Order 12372 Process for review on☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.☒ c. Program is not covered by E.O. 12372.**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

**21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:

\* First Name:

NILS

Middle Name:

\* Last Name:

URMAN

Suffix:

\* Title:

EXECUTIVE DIRECTOR

\* Telephone Number:

5203979219

Fax Number:

\* Email:

NILSU@NOGALESCDC.ORG

\* Signature of Authorized Representative:

Nils Urman

\* Date Signed:

01/31/2019